

by AmeriCorps and published in applications and the Notice of Funds Availability, AmeriCorps will use the amount of that State's allotment to make grants to eligible entities to carry out AmeriCorps programs in that State or Territory. Any funds remaining from that State's allotment after making such grants will be reallocated to the States, Territories, and Indian tribes with approved AmeriCorps applications at AmeriCorps' discretion.

(e) *Effect of rejection of State application.* If a State's application for a formula-based grant is ultimately rejected by AmeriCorps pursuant to § 2522.320 of this chapter, the State's allotment will be available for redistribution by AmeriCorps to the States, Territories, and Indian Tribes with approved AmeriCorps applications as AmeriCorps deems appropriate.

(f) AmeriCorps will make grants for training, technical assistance and other special programs described in part 2524 of this chapter at AmeriCorps' discretion.

[59 FR 13794, Mar. 23, 1994, as amended at 63 FR 18138, Apr. 14, 1998; 67 FR 45360, July 9, 2002; 70 FR 39598, July 8, 2005; 73 FR 53759, Sept. 17, 2008]

PROGRAM MATCHING REQUIREMENTS

§ 2521.35 Who must comply with matching requirements?

(a) The matching requirements described in §§ 2521.40 through 2521.95 apply to you if you are a subgrantee of a State commission or a direct program grantee of AmeriCorps. These requirements do not apply to Education Award Programs.

(b) If you are a State commission, you must ensure that your grantees meet the match requirements established in this part, and you are also responsible for meeting an aggregate overall match based on your grantees' individual match requirements.

[70 FR 39598, July 8, 2005; 70 FR 48882, Aug. 22, 2005]

§ 2521.40 What are the matching requirements?

If you are subject to matching requirements under § 2521.35, you must adhere to the following:

(a) *Basic match:* At a minimum, you must meet the basic match requirements as articulated in § 2521.45.

(b) *Regulatory match:* In addition to the basic requirements under paragraph (a) of this section, you must provide an overall level of matching funds according to the schedule in § 2521.60(a), or § 2521.60(b) if applicable.

(c) *Budgeted match:* To the extent that the match in your approved budget exceeds your required match levels under paragraph (a) or (b) of this section, any failure to provide the amount above your regulatory match but below your budgeted match will be considered as a measure of past performance in subsequent grant competitions.

[70 FR 39598, July 8, 2005]

§ 2521.45 What are the limitations on the Federal Government's share of program costs?

The limitations on the Federal Government's share are different—in type and amount—for member support costs and program operating costs.

(a) *Member support:* The Federal share, including AmeriCorps and other Federal funds, of member support costs, which include the living allowance required under § 2522.240(b)(1) of this chapter, FICA, unemployment insurance (if required under State law), and worker's compensation (if required under State law), is limited as follows:

(1) If you are a professional corps described in § 2522.240(b)(2)(i) of this chapter, you may not use AmeriCorps funds for the living allowance.

(2) Your share of member support costs must be non-Federal cash.

(3) AmeriCorps's share of health care costs may not exceed 85 percent.

(b) *Program operating costs.* The AmeriCorps share of program operating costs may not exceed 67 percent. These costs include expenditures (other than member support costs described in paragraph (a) of this section) such as staff, operating expenses, internal evaluation, and administration costs.

(1) You may provide your share of program operating costs with cash, including other Federal funds (as long as the other Federal agency permits its funds to be used as match), or third-party in-kind contributions.

§ 2521.50

(2) Contributions, including third party in-kind must:

- (i) Be verifiable from your records;
- (ii) Not be included as contributions for any other Federally assisted program;
- (iii) Be necessary and reasonable for the proper and efficient accomplishment of your program's objectives; and
- (iv) Be allowable under applicable Office of Management and Budget (OMB) cost principles.

(3) You may not include the value of direct community service performed by volunteers, but you may include the value of services contributed by volunteers to your organizations for organizational functions such as accounting, audit, and training of staff and AmeriCorps programs.”

[70 FR 39598, July 8, 2005, as amended at 89 FR 46033, May 28, 2024; 89 FR 66615, Aug. 16, 2024]

§ 2521.50 If I am an Indian Tribe, to what extent may I use tribal funds towards my share of costs?

If you are an Indian Tribe that receives tribal funds through Public Law 93-638 (the Indian Self-Determination and Education Assistance Act), those funds are considered non-Federal and

45 CFR Ch. XXV (10-1-24 Edition)

you may use them towards your share of costs, including member support costs.

[70 FR 39598, July 8, 2005]

§ 2521.60 To what extent must my share of program costs increase over time?

Except as provided in paragraph (b) of this section, if your program continues to receive funding after an initial three-year grant period, you must continue to meet the minimum requirements in § 2521.45 of this part. In addition, your required share of program costs, including member support and operating costs, will incrementally increase each grant period to a 30 percent overall share by the fourth grant period and beyond (tenth year and any year thereafter that you receive a grant), without a break in funding of five years or more.

(a) *Minimum Organization Share:* (1) Subject to the requirements of § 2521.45 of this part, and except as provided in paragraph (b) of this section, your overall share of program costs will increase as of the fourth consecutive year that you receive a grant, according to the following timetable:

TABLE 1 TO PARAGRAPH (a)—TIMETABLE FOR MINIMUM ORGANIZATION SHARE

| Grant period | Match percent by grant period and years | | | |
|--|---|--------|-------|----------------|
| | First | Second | Third | Fourth |
| Grant years | 1-3 | 4-6 | 7-9 | 10 and beyond. |
| Minimum operating costs percentage | 33 | 33 | 33 | 33. |
| Minimum overall share percentage | 24 | 26 | 28 | 30. |

(2) A State commission may meet its match based on the aggregate of its grantees' individual match requirements.

(b) *Alternative match requirements:* If your program is unable to meet the match requirements set forth in paragraph (a) of this section and it is located in a rural or severely economically distressed community, you may apply to AmeriCorps for a waiver that would decrease the level of your required match.

(c) *Determining Program Location.* (1) AmeriCorps will determine whether your program is located in a rural

county by considering the U.S. Department of Agriculture's Beale Codes.

(2) AmeriCorps will determine whether your program is located in a severely economically distressed county by considering unemployment rates, per capita income, and poverty rates.

(3) Unless AmeriCorps approves otherwise, as provided in paragraph (c)(4) of this section, AmeriCorps will determine the location of your program based on the legal applicant's address.

(4) If you believe that the legal applicant's address is not the appropriate way to consider the location of your program, you may request the waiver